

CIGOGNE FUND

ABS/MBS Arbitrage

31/01/2026



CIGOGNE
MANAGEMENT

Assets Under Management : 192 051 147.21 €

Net Asset Value (O Unit) : 22 838.11 €

PERFORMANCES

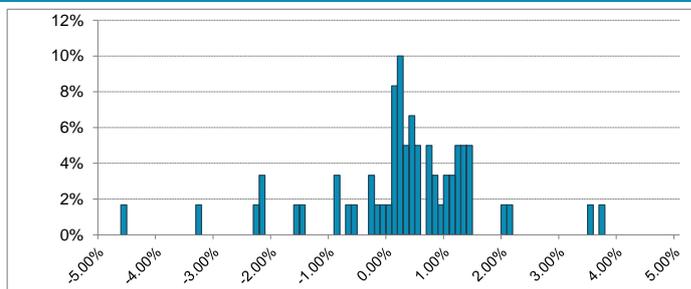
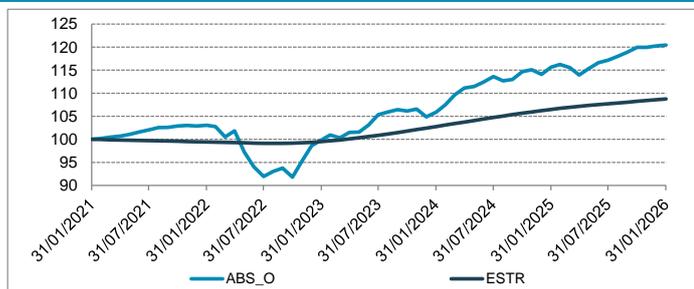
	January	February	March	April	May	June	July	August	September	October	November	December	YTD
2026	0.16%												0.16%
2025	1.37%	0.53%	-0.58%	-1.40%	1.23%	1.08%	0.46%	0.75%	0.74%	0.89%	-0.01%	0.25%	5.40%
2024	0.98%	1.47%	2.08%	1.31%	0.29%	0.86%	1.07%	-0.82%	0.28%	1.46%	0.39%	-0.89%	8.78%
2023	1.22%	1.12%	-0.63%	1.15%	0.11%	1.49%	2.17%	0.56%	0.48%	-0.28%	0.39%	-1.56%	6.34%
2022	0.15%	-0.28%	-2.18%	1.30%	-4.52%	-3.26%	-2.26%	1.22%	0.79%	-2.11%	3.74%	3.57%	-4.14%

PORTFOLIO STATISTICS FOR 5 YEARS / SINCE 30/06/2006

	Cigogne ABS/MBS Arbitrage		ESTR		HFRX Global Hedge Fund EUR Index	
	5 years	From Start	5 years	From Start	5 years	From Start
Cumulative Return	20.44%	128.38%	8.75%	18.24%	7.93%	-1.07%
Annualised Return	3.79%	4.30%	1.69%	0.86%	1.54%	-0.06%
Annualised Volatility	4.73%	10.71%	0.50%	0.46%	2.93%	5.27%
Sharpe Ratio	0.44	0.32	-	-	-0.05	-0.17
Sortino Ratio	0.69	0.38	-	-	-0.09	-0.23
Max Drawdown	-10.90%	-52.14%	-0.87%	-3.38%	-8.35%	-25.96%
Time to Recovery (m)	8	22	7	16	23	> 70
Positive Months (%)	75.00%	80.00%	66.67%	53.62%	60.00%	58.30%

PERFORMANCE (Net Asset Value)

DISTRIBUTION OF RETURNS (Monthly Basis)



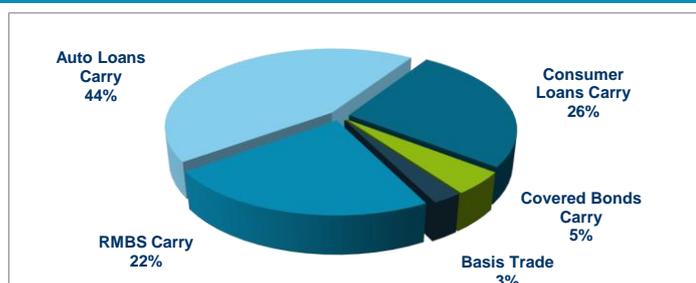
INVESTMENT MANAGERS' COMMENTARY

The performance of the ABS/MBS Arbitrage fund was +0,16%.

Several sources of volatility emerged at the beginning of the year, starting with the United States' claims over Greenland and threats to impose tariffs on opposing countries, followed by rumours of a potential U.S. intervention in Iran. Nevertheless, common ground was reached through negotiations and discussions that were opened fairly quickly, supporting market stabilization. In the United States, the Federal Reserve kept its rates unchanged, preferring to confirm the disinflation trajectory before making any further adjustments. During the press conference, Jerome Powell reiterated that the economic situation in the U.S. was more favourable, with resilient growth. He also indicated that upside risks to prices and downside risks to employment had declined, reducing tensions between the Fed's two objectives. In Europe, the recovery in industrial activity, the rebound in consumption, and a well-oriented disinflation path did not justify any adjustment to monetary policy by the ECB in early February. The European ABS primary market proved to be dynamic at the beginning of the year. Approximately +€ 6.5 Bn of new issues were distributed during the month. Issuance volumes were mainly concentrated in German auto ABS as well as UK and Dutch RMBS. These new issues were generally well received, with coverage ratios ranging from 1.5x to 2x for the most senior tranches and from 2x to 5x for mezzanine tranches. For example, the auto ABS BSKY 10 from BMW Bank and VCL 47 from VW Leasing were issued at spreads of 42 bps and 43 bps respectively over 1-month Euribor for the Class A tranches. The fund did not take advantage of the primary market to initiate new strategies but was particularly active in the secondary market via BWICs (Bids Wanted In Competition). Ahead of new issues, and in order to free up capacity for new investments, the first half of the month was marked by significant selling flows offering concessions from other investors. The compartment therefore strengthened its positions in the Class A tranches of Italian consumer deals QUARZ 2025-1 from Mediobanca and SUNRI 2025-2 from Agos Ducato S.p.A., at spreads of 62 bps and 61 bps respectively, as well as in the Italian auto loan ABEST 2024-R, issued by a subsidiary of Crédit Agricole, at a spread of 54 bps. AAA tranche spreads tightened across all asset classes. European RMBS and auto ABS tightened by 5 bps, while consumer loans tightened by 4 bps (source: JPM).

ASSET BREAKDOWN

CORRELATION MATRIX



	Cigogne ABS/MBS Arbitrage	ESTR	HFRX Global Hedge Fund EUR Index
Cigogne ABS/MBS	100.00%	27.59%	28.04%
ESTR	27.59%	100.00%	21.87%
HFRX HF Index	28.04%	21.87%	100.00%

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INVESTMENT OBJECTIVES

Strategies set forth in the ABS / MBS Arbitrage compartment span across two specialties:

- ABS (Asset Backed Securities), MBS (Mortgage Backed Securities) and Covered Bonds arbitrage, which consist in exploiting price inefficiencies between asset backed notes and their refinancing cost (notes purchase related borrowing cost);
- Basis Trade arbitrage, which consists in taking advantage of the spread between the premium offered by a secured note and the CDS premium of the related issuer.

All these strategies focus on the credit component of the underlying financial instruments; any interest rate exposure is systematically hedged. The portfolio is today composed of ABS/MBS and Covered Bonds of high quality, benefiting from a AA- rating (at least) and a weighted average life of 2 years (except on basis arbitrage strategies). The portfolio is well diversified, with more than forty strategies on average.

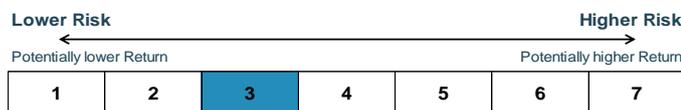
MAIN EXPOSURES (In percentage of gross asset base)

SUNRI 2025-2 A EUR1+72 27/10/50	4.50%
CAR 2024-G1V A EUR1+52 18/01/36	3.74%
BPCL 2024-1 A EUR1+70 31/10/42	3.40%
AUTOF 2 A EUR1+70 24/12/44	2.97%
HLFCT 2021-G A EUR3+70 31/10/55	2.91%

FUND SPECIFICS

Net Asset Value :	€	192 051 147.21
Net Asset Value (O Unit) :	€	2 450 940.35
Liquidative Value (O Unit) :	€	22 838.11
ISIN Code :		LU0648560224
Legal Structure :		FCP - SIF, AIF
Inception Date of the fund :		June 30 th 2006
Inception Date (O Unit) :		April 30 th 2011
Currency :		EUR
NAV calculation date :		Monthly, last calendar day of the month
Subscription / redemption :		Monthly
Minimum Commitment:	€	100 000.00
Minimum Notice Period:		1 month
Management Fee:		1,50% per annum
Performance Fee :		20% above €STR with a High Water Mark
Country of Registration :		FR, LU
Management Company:		Cigogne Management SA
Investment Advisor:		CIC CIB
Depository Bank:		Banque de Luxembourg
Administrative Agent:		UI efa
Auditor:		KPMG Luxembourg

RISK PROFILE



The risk category has been determined on the basis of historical data and may not be a reliable indication of the future risk profile. The risk and reward category shown does not necessarily remain unchanged and the categorization of the fund may shift over time.

REASONS TO INVEST IN CIGOGNE ABS/MBS ARBITRAGE

In addition to traditional financial investment, alternative investments aim to provide investors with absolute performances independent from the return of traditional asset classes such as shares, bonds etc. With these objectives, alternative investments can be construed as the natural complement to assets allocation between classical portfolio investment and risks managed performance strategies that take advantages of market inefficiencies.

Cigogne Management S.A. is the alternative asset management branch of Crédit Mutuel Alliance Fédérale, a major actor in the industry. Cigogne Management S.A. benefits from CIC CIB's deep expertise. Cigogne Management S.A. currently manages the Cigogne Fund and Cigogne UCITS funds (single-strategy funds) as well as the Stork Fund (multi-strategy funds).

Cigogne Fund - ABS/MBS Arbitrage aims to achieve stable and positive performances over time, uncorrelated from traditional asset classes by setting up Asset-Backed Securities (ABS) arbitrage strategies, Mortgage-Based Securities (MBS) strategies and Covered Bonds strategies.

DISCLAIMER

The information contained herein is provided for information purposes only and shall only be valid at the time it is given. No guarantee can be given as to the exhaustiveness timeliness or accuracy of this information. Past performance is no indication of future returns. Any investment may generate losses or gains. The information on this document is not intended to be an offer or solicitation to invest or to provide any investment service or advice. Potentially interested persons must consult their own legal and tax advisor on the possible consequences under the laws of their country of citizenship or domicile. Any person must carefully consider the suitability of their investments to their specific situation and ensure that they understand the risks involved. Subscriptions to fund shares will only be accepted on the basis of the latest prospectus and the most recent annual reports.

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